

Memorandum

To : The Conservancy
The Advisory Committee

Date: January 28, 2008

From : 
Joseph T. Edmiston, FAICP, Hon. ASLA, Executive Director

Subject: **Agenda Item 14: Consideration of resolution authorizing the expenditure of Proposition 84 funds, and entering into all necessary inter-agency agreements, including an agreement to accept funds from the Mountains Recreation and Conservation Authority, to acquire Director's Deed 1074-01-01 located at Franklin and Ivar Avenues in Hollywood from Caltrans, Los Angeles.**

Staff Recommendation: That the Conservancy adopt the attached resolution authorizing the expenditure of up to \$81,050 of Proposition 84 coastal watershed funds, and entering into all necessary inter-agency agreements, including an agreement to accept funds from the Mountains Recreation and Conservation Authority, to acquire Director's Deed 1074-01-01 located at Franklin and Ivar Avenues in Hollywood from Caltrans.

Legislative Authority: Sections 33203.5, 33211 (c) and 75060(d)(1) of the Public Resources Code

Background: The subject approximately one acre property in Hollywood within the Conservancy Zone provides a unique opportunity to provide urban green space, wildlife habitat, groundwater recharge, and a site to clean storm water runoff. The property is in the Ballona Creek watershed and thus is in a coastal watershed of the Santa Monica Bay. Please see the staff report for agenda item 13 for additional background on this parcel.

The acquisition price for the subject parcel is \$162,100. The property was about to be auctioned with another batch of surplus Caltrans parcels on December 19th with a minimum bid of \$879,000 for the single parcel. The purchase and sale agreement with Caltrans requires a payment of \$16,210 by January 31, 2008. This deadline may be difficult to achieve unless private money is fronted. The remaining amount, less \$16,210, is due by March 17, 2008.

If approved, agenda item 13 authorizes up to \$16,210 of Conservancy Funds to be used for the acquisition. This amount will cover the 10 percent down payment. It is unclear whether this amount could be used to reimburse a private contributor willing to meet the January 31 deadline.

Business and community members are expected to contribute to the acquisition cost. A meeting to gauge such contributions is being held on January 24th. It is expected that a member of the public will testify at the Conservancy meeting to express the level of private commitment. The staff recommendation is to authorize contributing up to \$81,050 of Proposition 84 funds to challenge the community at large to raise the remainder amount prior to the March 17th deadline.

For such funds to be accepted for an acquisition with such a short time frame, it is best to partner with the Mountains Recreation and Conservation Authority (MRCA) to hold all contributed funding and deliver a check to Caltrans. The proposed action authorizes entering into any agreements for other entities to collect and contribute funds for the acquisition. The MRCA can return the funds if the project fails. When the acquisition closes, donors would be eligible for tax benefits from their contributions to the MRCA. Staff has requested that the MRCA consider an item to accept private and public funds for said acquisition at the next MRCA Governing Board meeting.

The only risk is the potential loss of the 10 percent Conservancy Fund contribution if insufficient matching funds are raised.

It is expected that Proposition 84 funds would be transferred to Caltrans via an inter-agency agreement which this action would authorize.

Most likely the State Public Works Board will need to approve the item at some juncture.